

Notes to the Financial Statements
For the year ended 31 December 2019

1. Accounting policies

Great Western Mining Corporation PLC (“the Company”) is a Company domiciled and incorporated in Ireland. The Group financial statements consolidate the individual financial statements of the Company and its subsidiaries (“the Group”).

Basis of preparation

The Group and the Company financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as adopted by the European Union (“EU”).

Statement of compliance

The Group financial statements have been prepared and approved by the Directors in accordance with International Financial Reporting Standards and their interpretations as adopted by the European Union (“EU IFRSs”). The individual financial statements of the Company have been prepared and approved by the Directors in accordance with EU IFRSs and as applied in accordance with the provisions of the Companies Act 2014 which permits a Company that publishes its Company and Group financial statements together, to take advantage of the exemption in Section 304 of the Companies Act 2014 from presenting to its members its Company income statement and related notes that form part of the approved Company financial statements.

The EU IFRSs applied by the Company and the Group in the preparation of these financial statements are those that were effective for accounting periods ending on or before 31 December 2019.

New accounting standards and interpretations adopted

Below is a list of standards and interpretations that were required to be applied in the year ended 31 December 2019. There was no material impact to the financial statements in the current year from these standards set out below:

- IFRS 16: Leases - *effective 1 January 2019.*
- IFRIC Interpretation 23: Uncertainty over Income Tax Treatment - *effective 1 January 2019.*
- Amendments to IFRS 9: Prepayment Features with Negative Compensation - *effective 1 January 2019.*
- Amendments to IAS 28: Long-term Interest in Associates and Joint Ventures - *effective 1 January 2019.*
- Amendments to IAS 19: Plan Amendment, Curtailment or Settlement - *effective 1 January 2019.*
- Annual Improvements to IFRS Standards 2015 2017 Cycle - *effective 1 January 2019.*

Notes to the Financial Statements (continued)
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New accounting standards and interpretations not adopted

Standards endorsed by the EU that are not yet required to be applied but can be early adopted are set out below. None of these standards have been applied in the current period. The Group is currently assessing whether these standards will have a material impact in the financial statements.

- Amendments to References to Conceptual Framework in IFRS Standards - *effective 1 January 2020*.
- Amendments to IAS 1 and IAS 8: Definition of Material - *effective 1 January 2020*
- Amendments to IFRS 9, IAS 39 and IFRS 7: *Interest Rate Benchmark Reform - effective 1 January 2020*.

The following standards have been issued by the IASB but have not been endorsed by the EU, accordingly none of these standards have been applied in the current period and the Group is currently assessing whether these standards will have a material impact in the financial statements.

- IFRS 17: Insurance Contracts.
- IFRS 14: Regulatory Deferral Accounts.
- Amendments to IFRS 3: Definition of a Business.
- Amendments to IFRS 10 and IAS 28: Sale and Contribution of Assets between an Investor and its Associate or Joint Venture.

Functional and Presentation Currency

The functional currency for each entity within the Group is deemed to be the currency for the jurisdiction of each company's registration. This has been determined using the primary criteria as defined by IAS 21.

Great Western Mining Corporation PLC	Euro
Great Western Mining Corporation, Inc.	US Dollar
GWM Operations Limited	Sterling

The financial statements are presented in Euro ("€"), which is the parent Company's functional currency.

Use of Estimates and Judgements

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources.

In particular, significant areas of estimation uncertainty in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are in the following area:

- Note 15 – Share based payments and share warrant valuations

In particular, significant areas of critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are in the following areas:

- Note 10 – Property, plant and equipment, consideration of impairment.
- Note 11 – Intangible asset, consideration of impairment.
- Note 12 – Amounts owed by subsidiary, expected credit loss.

Notes to the Financial Statements (continued)
For the year ended 31 December 2019

Basis of Consolidation

The consolidated financial statements comprise the financial statements of Great Western Mining Corporation PLC and its subsidiary undertakings for the year ended 31 December 2019.

Subsidiaries are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. Control exists when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Financial statements of subsidiaries are prepared for the same reporting year as the parent Company.

Upon the loss of control, the Group derecognises the assets and liabilities of the subsidiary, and no controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in the income statement. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date control is lost. Subsequently, it is accounted for an equity-accounted investee or as an available for sale financial asset, depending on the level of influence retained.

Intragroup balances and transactions, including any unrealised gains arising from intragroup transactions, are eliminated in preparing the Group financial statements. Unrealised losses are eliminated in the same manner as unrealised gains except to the extent that there is evidence of impairment.

Investments in Subsidiaries

In the Company's own statement of financial position, investments in subsidiaries are stated at cost less provisions for any permanent diminution in value.

Exploration and Evaluation Assets

Exploration expenditure in respect of properties and licences not in production is capitalised and is carried forward in the statement of financial position under intangible assets in respect of each area of interest where: -

- (i) the operations are ongoing in the area of interest and exploration or evaluation activities have not reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves; and
- (ii) such costs are expected to be recouped through successful development and exploration of the area of interest or alternatively by its realisation.

Exploration costs include licence costs, survey, geophysical and geological analysis and evaluation costs, costs of drilling and project-related overheads.

When the Directors decide that no further expenditure on an area of interest is worthwhile, the related expenditure is written off or down to an amount which it is considered represents the residual value of the Group's interest therein.

Notes to the Financial Statements (continued)
For the year ended 31 December 2019

Impairment

The carrying amounts of the Group's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the amount recoverable from the assets is estimated. For intangible assets that have indefinite lives or that are not yet available for use, the recoverable amount is estimated at each reporting date.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset Group that is expected to generate cash flows that is largely independent from other assets and Groups of assets. Impairment losses are recognised in the Statement of Comprehensive Income. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (Group of units) on a pro rata basis.

The recoverable amount of an asset or cash generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risk specific to the asset.

Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit and loss except to the extent that it relates to items recognised in other comprehensive income or directly in equity, in which case the tax is also recognised in other comprehensive income or equity respectively.

Current corporation tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they probably will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Additional income taxes that arise from the distribution of dividends are recognised at the same time as the liability to pay the related dividends is recognised.

Notes to the Financial Statements (continued)
For the year ended 31 December 2019

Foreign Currencies

Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in a foreign currency are translated into the functional currency at the exchange rate ruling at the reporting date, unless specifically covered by foreign exchange contracts whereupon the contract rate is used. All translation differences are taken to the income statement with the exception of foreign currency differences arising on net investment in a foreign operation. These are recognised in other comprehensive income.

Results and cash flows of non-Euro subsidiary undertakings are translated into Euro at average exchange rates for the year and the related assets and liabilities are translated at the rates of exchange ruling at the reporting date. Adjustments arising on translation of the results of non-Euro subsidiary undertakings at average rates, and on the restatement of the opening net assets at closing rates, are dealt with in a separate translation reserve within equity. Proceeds from the issue of share capital are recognised at the prevailing exchange rate on the date that the Board of Directors ratifies such issuance; and foreign exchange movement arising between the date of issue and the date of receipt of funds is credited or charged to the income statement.

On loss of control of a foreign operation, accumulated currency translation differences are recognised in the income statement as part of the overall gain or loss on disposal.

Share Capital

Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a reduction in equity.

Earnings per Share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

Property, plant and equipment

Property, plant and equipment under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is provided on the following basis:

Land and property	-	0%
Plant & machinery	-	33.33% straight line
Motor vehicles	-	33.33% straight line

Notes to the Financial Statements (continued)
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Employee Benefits

i) Share Based Payments

The grant-date fair value of equity-settled share-based payment arrangements granted to employees and or non-employees is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and nonmarket performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

The fair value of an equity classified warrant is measured using the binomial option pricing model and recorded in creditors as a financial liability as the warrant price is in a different currency to the functional currency of the company. The fair value is remeasured at each period end and any movement charged or credited to the income statement. The fair value on grant is charged against the share premium account.

ii) Defined Contribution Plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Financial Instruments

Cash and Cash Equivalents

Cash and cash equivalents in the Statement of Financial Position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less. Bank overdrafts that are repayable on demand and form part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of Statement of Cash Flows.

Trade and Other Receivables / Payables

Trade and other receivables and payables are stated at cost less impairment, which approximates fair value given the short-dated nature of these assets and liabilities. There are no expected credit losses on amounts due from subsidiaries and therefore no expected credit loss provision has been recognised.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of this obligation. Where the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the Consolidated Statement of Comprehensive Income net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingencies

A contingent liability is disclosed where the existence of an obligation will only be confirmed by future events or where the amount of the obligation cannot be measured with reasonable reliability. Contingent assets are not recognised but are disclosed where an inflow of economic benefit is probable.

Notes to the Financial Statements (continued)
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2. Going concern

The financial statements of the Group and Parent Company are prepared on a going concern basis.

The Directors have given careful consideration to the Group's ability to continue as a going concern through review of cash flow forecasts prepared by management for the period to 31 December 2021, review of the key assumptions on which these are based and sensitivity analysis.

The future of the Company is dependent on the successful outcome of its exploration activities. The Directors believe that the Group's ability to make planned capital expenditure on its claims interests in Nevada and to fund its ongoing operational expenditure can be assisted if necessary by the deferral of planned expenditure or by raising additional capital.

The Directors have also considered the potential impact of Covid-19 on the Company's ability to complete its capital work programme and to meet ongoing operational expenditure, with particular reference to the volatility of the capital markets, the ability to raise new equity funds if required, travel restrictions and the health of staff. The Directors have concluded that the full impact of Covid-19 on the Group's operations and financial performance cannot yet be determined and will need to be kept under review over the coming months.

The Directors concluded that the Group will have sufficient resources to continue as a going concern for the future, that is for a period of not less than 12 months from the date of approval of the condensed consolidated financial statements. However, there exists a material uncertainty that may cast significant doubt over the ability of the Group to continue as a going concern while the impact of Covid-19 cannot be fully assessed. The impact of Covid-19 may result in the Group being unable to realise its assets and discharge its liabilities in the normal course of business or being able to raise funds to explore further its exploration assets. The consolidated and Parent Company financial statements have been prepared on a going concern basis and do not include any adjustments that would be necessary if this basis were inappropriate.

3. Segment information

The Group has one principal reportable segment - Nevada, USA, which represents the exploration for and development of copper, silver, gold and other minerals in Nevada, USA.

Other operations "Corporate Activities" includes cash resources held by the Group and other operational expenditure incurred by the Group. These assets and activities are not within the definition of an operating segment.

In the opinion of the Directors the operations of the Group comprise one class of business, being the exploration and development of copper, silver, gold and other minerals. The Group's main operations are located within Nevada, USA. The information reported to the Group's chief executive officer (the Executive Chairman) who is the chief operating decision maker, for the purposes of resource allocation and assessment of segmental performance is particularly focussed on the exploration activity in Nevada.

It is the opinion of the Directors, therefore, that the Group has only one reportable segment under IFRS 8 'Operating Segments', which is exploration carried out in Nevada. Other operations "Corporate Activities" includes cash resources held by the Group and other operational expenditure incurred by the Group. These assets and activities are not within the definition of an operating segment.

Information regarding the Group's results, assets and liabilities is presented below.

Notes to the Financial Statements (continued)
For the year ended 31 December 2019

3. Segment information (continued)

Segment results

	Revenue		Loss	
	2019	2018	2019	2018
	€	€	€	€
Exploration activities - Nevada	-	-	(9,373)	(7,964)
Corporate activities	-	-	(806,422)	(984,810)
Consolidated loss before tax	-	-	(815,795)	(992,774)

Segment assets

	2019	2018
	€	€
Exploration activities - Nevada	6,260,174	6,054,916
Corporate activities	324,347	840,875
Consolidated total assets	6,584,521	6,895,791

Segment liabilities

	2019	2018
	€	€
Exploration activities - Nevada	52,244	225,940
Corporate activities	298,190	91,710
Consolidated total liabilities	350,434	317,650

Geographical information

The Group operates in three principal geographical areas –Ireland (country of residence of Great Western Mining Corporation PLC), Nevada, USA (country of residence of Great Western Mining Corporation, Inc., a wholly owned subsidiary of Great Western Mining Corporation PLC) and the United Kingdom (country of residence of GWM Operations Limited, a wholly owned subsidiary of Great Western Mining Corporation PLC).

The Group has no revenue. Information about the Group's non-current assets by geographical location are detailed below:

	2019	2018
	€	€
Nevada, USA – exploration activities	6,182,903	5,888,165
Ireland	-	-
United Kingdom	-	-
	6,182,903	5,888,165

Notes to the Financial Statements (continued)
For the year ended 31 December 2019

4. Finance income

	Group 2019	Group 2018	Company 2019	Company 2018
	€	€	€	€
Bank interest receivable	1,195	2,486	553	2,464
	1,195	2,486	553	2,464

5. Loss on ordinary activities before taxation

	Group 2019	Group 2018	Company 2019	Company 2018
	€	€	€	€
Directors' remuneration				
- Salaries	193,514	348,967	39,491	82,000
- Social security	16,951	40,184	4,324	8,897
- Defined contribution pension scheme	1,584	1,588	-	-
- Share based payments	156,223	152,421	156,223	152,421
Auditor's remuneration				
- Audit of the financial statements	29,870	29,000	29,870	29,000
- Other assurance services	1,250	5,250	1,250	5,250
- Other non-audit services	4,400	4,400	4,400	4,400

As permitted by Section 304 of the Companies Act 2014, the Company income statement and statement of other comprehensive income have not been separately presented.

6. Employees

Number of employees

The average number of employees, including executive Directors during the year was:

	Group 2019	Group 2018	Company 2019	Company 2018
	Number	Number	Number	Number
Executive and non-Executive Directors	4	4	4	4
Administration	3	3	-	-
	7	7	4	4

Notes to the Financial Statements (continued)
For the year ended 31 December 2019

6. Employees (continued)

Employees costs

The employment costs, including executive Directors during the year was:

	Group 2019 €	Group 2018 €	Company 2019 €	Company 2018 €
Wages and salaries	338,767	436,738	39,491	82,000
Social security	31,473	47,184	4,324	8,897
Defined contribution pension scheme	3,466	2,363	-	-
Share based payments	156,223	152,421	156,223	152,421
	<u>529,929</u>	<u>638,706</u>	<u>200,038</u>	<u>243,318</u>

7. Income tax - expense

	2019 €	2018 €
Current tax expense	-	-
Deferred tax expense	-	-
	<u>-</u>	<u>-</u>

The income tax expense for the year can be reconciled to the accounting loss as follows:

	2019 €	2018 €
Loss from continuing operations	(815,795)	(992,774)
Income tax expense calculated at 12.5% (2018: 12.5%)	<u>(101,974)</u>	<u>(124,097)</u>
Effects of:		
Unutilised tax losses	<u>(101,974)</u>	<u>(124,097)</u>
Income tax expense	<u>-</u>	<u>-</u>

The tax rate used for the year end reconciliations above is the corporation rate of 12.5% payable by corporate entities in Ireland on taxable profits under tax law in the jurisdiction of Ireland.

At the statement of financial position date, the Group had unused tax losses of €3,997,275 (2018: €3,895,301) available for offset against future profits. No deferred tax asset has been recognised due to the unpredictability of future profit streams. Unused tax losses may be carried forward indefinitely.

Notes to the Financial Statements (continued)
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8. Loss per share

Basic earnings per share

The basic and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

	2019	2018
	€	€
Loss for the year attribute to equity holders of the parent	(815,795)	(992,774)
Number of ordinary shares at start of year	677,673,809	592,673,809
Number of ordinary shares issued during the year	444,381,650	85,000,000
Number of ordinary shares in issue at end of year	<u>1,122,055,459</u>	<u>677,673,809</u>
Weighted average number of ordinary shares for the purposes of basic earnings per share	751,737,417	635,173,809
Basic loss per ordinary share (cent)	<u>(0.001)</u>	<u>(0.002)</u>

Diluted earnings per share

There were no potentially dilutive ordinary shares that would increase the basic loss per share.

9. Investments in subsidiaries

	2019	2018
	€	€
Subsidiary undertakings - unlisted		
Investment cost	500,001	500,001
	<u>500,001</u>	<u>500,001</u>

In the opinion of the Directors, the investments in subsidiary undertakings are not worth less than their carrying value.

At 31 December 2019, the Company had the following subsidiary undertakings:

Name	Incorporated in	Main activity	Holdings
Great Western Mining Corporation, Inc.	Nevada, U.S.A.	Mineral exploration	100%
GWM Operations Limited	London, UK	Service Company	100%

GWM Operations Limited, a UK limited company is registered in England and Wales under number 08644971, is exempt from the requirements of the UK Companies Act 2006 relating to the audit of its accounts under section 479A of the Companies Act 2006.

Notes to the Financial Statements (continued)
For the year ended 31 December 2019

10. Property, plant and equipment

	Property, plant & equipment €	Total €
Cost		
Opening cost	92,629	92,629
Additions	-	-
Exchange rate adjustment	1,781	1,781
Closing cost	<u>94,410</u>	<u>94,410</u>
Depreciation		
Opening depreciation	10,437	10,437
Depreciation charge for the year	7,216	7,216
Exchange rate adjustment	201	201
Closing depreciation	<u>17,854</u>	<u>17,854</u>
Net book value		
Opening net book value	<u>82,192</u>	<u>82,192</u>
Closing net book value	<u><u>76,556</u></u>	<u><u>76,556</u></u>

Notes to the Financial Statements (continued)
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11. Intangible assets

	Exploration and evaluation assets €	Total €
Cost		
Opening cost	5,805,973	5,805,973
Additions	206,736	206,736
Exchange rate adjustment	93,638	93,638
Closing cost	<u>6,106,347</u>	<u>6,106,347</u>
Amortisation		
Opening amortisation	-	-
Additions	-	-
Exchange rate adjustment	-	-
Closing amortisation	<u>-</u>	<u>-</u>
Net book value		
Opening net book value	<u>5,805,973</u>	<u>5,805,973</u>
Closing net book value	<u><u>6,106,347</u></u>	<u><u>6,106,347</u></u>

The Directors have reviewed the carrying value of the exploration and evaluation assets. These assets are carried at historical cost and have been assessed for impairment in particular with regards to the requirements of IFRS 6 'Exploration for and Evaluation of Mineral Resources' relating to remaining licence or claim terms, likelihood of renewal, likelihood of further expenditures, possible discontinuation of activities over specific claims and available data which may suggest that the recoverable value of an exploration and evaluation asset is less than carrying amount. The Directors are satisfied that no impairment is required as at 31 December 2019. The realisation of the intangible assets is dependent on the successful identification and exploitation of copper, silver, gold and other mineral in the Group's licence area. This is dependent on several variables including the existence of commercial mineral deposits, availability of finance and mineral prices.

Notes to the Financial Statements (continued)
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12. Trade and other receivables

	Group 2019 €	Group 2018 €	Company 2019 €	Company 2018 €
Amounts falling due within one year:				
Other debtors	52,625	69,251	-	-
Prepayments	42,318	53,923	42,154	26,692
Amounts owed by subsidiary undertakings	-	-	7,317,213	6,269,718
	94,943	123,174	7,359,367	6,296,410

All amounts above are current and there have been no impairment losses during the year (2018: €Nil).

Amounts owed by subsidiary undertakings are interest free and repayable on demand.

There are no expected credit losses on amounts due from subsidiaries and therefore no expected credit loss provision has been recognised.

13. Cash and cash equivalents

For the purposes the consolidated statement of cash flows, cash and cash equivalents include cash in hand, in bank and bank deposits with maturity of less than three months.

	Group 2019 €	Group 2018 €	Company 2019 €	Company 2018 €
Cash in bank and in hand	29,372	39,850	9,937	14,599
Short term bank deposit	277,303	844,602	259,767	798,769
	306,675	884,452	269,704	813,368

14. Trade and other payables

	Group 2019 €	Group 2018 €	Company 2019 €	Company 2018 €
Amounts falling due within one year:				
Trade payables	77,642	259,044	50,901	33,103
Other payables	416	54	-	-
Accruals	90,439	43,427	64,934	42,583
Other taxation and social security	5,632	15,125	839	4,871
Share warrant provision	176,305	-	176,305	-
Amounts payable to subsidiary undertakings	-	-	138,223	72,957
	350,434	317,650	431,202	153,514

The Group has financial risk management policies in place to ensure that payables are paid within the pre-agreed credit terms.

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15. Share capital

	No of shares	Value of shares €
Authorised at 1 January 2018:	1,164,823,809	2,711,756
Cancellation of authorised deferred share capital	(264,823,809)	(2,621,756)
Authorised at 31 December 2018	900,000,000	90,000
Authorised at 1 January 2019	900,000,000	90,000
Creation of Ordinary shares of €0.0001 each	1,800,000,000	180,000
Authorised at 31 December 2019	2,700,000,000	270,000

The authorised share capital of the company was increased to €270,000, consisting of 2,700,000,000 ordinary shares of €0.0001 each by way of an ordinary resolution at the Company's Annual General Meeting on 16 May 2019.

	No of issued shares		Share capital €	Share premium €	Total capital €
	Ordinary shares of €0.0001 each	Deferred shares of €0.0099 each			
Issued, called up and fully:					
At 1 January 2018	592,673,809	264,823,809	2,681,023	8,328,238	11,009,261
Cancellation of deferred share capital	-	(264,823,809)	(2,621,756)	-	(2,621,756)
Ordinary shares issued	77,000,000	-	7,700	1,118,855	1,126,555
Exercise of options	8,000,000	-	800	44,344	45,144
At 31 December 2018	677,673,809	-	67,767	9,491,437	9,559,204
Issued, called up and fully:					
At 1 January 2019	677,673,809	-	67,767	9,491,437	9,559,204
Ordinary shares issued	444,381,650	-	44,438	371,003	415,441
Share warrants granted	375,000,000	-	-	(175,289)	(175,289)
At 31 December 2019	1,497,055,459	-	112,205	9,687,151	9,799,356

Notes to the Financial Statements (continued)
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15. Share capital (continued)

On 9 April 2018 the Company obtained an order from the High Court of Ireland, confirming the cancellation and extinguishment of the entire class of Deferred Shares of Great Western Mining Corporation PLC in issue being 264,823,809 shares. The Deferred Shares were issued as part of a share capital reorganisation approved by a special resolution at the Company's Annual General Meeting ("AGM") on 19 May 2016 and amended by a special resolution at the AGM on 18 May 2017. The shares had an aggregate nominal value of €2,621,756. €Nil was paid to the holders of the Deferred Shares and as such the full balance of €2,621,756 was transferred to retained earnings.

On 25 July 2018, the Company completed a placing of 77,000,000 new ordinary shares of €0.0001 at a price of £0.0130 (€0.0146) per ordinary share, raising gross proceeds of £1,001,000 (€1,126,555) and increasing share capital by €7,700. The premium arising on the issue amounted to €1,118,855 before share issue costs of €78,859. The share issue included warrants granted to Novum Securities Limited giving the right to acquire 1,925,000 Ordinary shares of €0.0001 at an exercise price of £0.0175 (€0.0197), which remain unexercised at period end 31 December 2019.

On 30 July 2018, share options were exercised, resulting in a placing of 8,000,000 new ordinary shares of €0.0001 at a price of £0.0050 (€0.0056) per ordinary share, raising gross proceeds of £40,000 (€45,144) and increasing share capital by €800. The premium arising on the issue amounted to €44,344.

On 19 November 2019, the Company completed a placing of 444,381,650 new ordinary shares of €0.0001 at a price of £0.0008 (€0.0009) per ordinary share, raising gross proceeds of £355,505 (€415,441) and increasing share capital by €44,438. The premium arising on the issue amounted to €371,003 before share issue costs of €11,686. The share issue included warrants granted giving the right to acquire 375,000,000 Ordinary shares of €0.0001 at an exercise price of £0.0016 (€0.0019), which remain unexercised at period end 31 December 2019.

Notes to the Financial Statements (continued)
For the year ended 31 December 2019

16. Share based payments

Share options

The "Share Option Plan 2014", was established on 17 July 2014 that entitled directors and employee to purchase shares in the Company.

On 26 January 2017 the Company granted share options to the directors under the "Share Option Plan 2014". Under the terms of the grant, the holders of the vested options are entitled to purchase shares at £0.0050 (€0.0059).

On 12 July 2017 the Company granted further share options to the directors and an employee under the "Share Option Plan 2014". Under the terms of the grant, the holders of the vested options are entitled to purchase shares at £0.0160 (€0.0180).

On the 2 October 2018 the Company cancelled 1,000,000 share options granted to a former employee on 12 July 2017.

On 2 October 2018 the Company granted further share options to the directors under the "Share Option Plan 2014". Under the terms of the grant, the holders of the vested options are entitled to purchase shares at £0.0080 (€0.0090).

On 6 July 2018 the Directors of the Company gave notice to exercise 8,000,000 share options at £0.005 from the share options granted on the 26 January 2017. The admission date of the share options was 30 July 2018.

Grant date	Number of options	Vesting conditions	Contractual life of options
26 January 2017	24,000,000	33% options vest in each of the three annual dates post grant date	7 years
12 July 2017	26,000,000	33% options vest in each of the three annual dates post grant date	7 years
2 October 2018	24,000,000	33% options vest in each of the three annual dates post grant date	7 years

Notes to the Financial Statements (continued)
For the year ended 31 December 2019

16. Share based payments (continued)

Measure of fair values of options

The fair value of the options granted has been measured using the Binomial option pricing model.

The input used in the measurement of the fair value at grant date of the options were as follows;

	Oct 2018	Jul 2017	Jan 2017
Fair value at grant date	€0.0064	€0.0125	€0.0045
Share price at grant date	€0.0079	€0.0155	€0.0055
Exercise price	€0.0090	€0.0180	€0.0059
Expected volatility	100%	100%	100%
Expected life	7 Years	7 Years	7 Years
Expected dividend	0%	0%	0%
Risk free interest rate	1.25%	1.25%	1.25%

During the year an expense of €156,223 (2018: €152,421) was recognised in the statement of profit and loss related to share options granted during the year.

Warrants granted during the year

In July 2017, the Group granted warrants to Beaufort Securities Limited in connection with a share placing. 4,687,500 warrants were granted exercisable at £0.0210 (€0.0239) each with immediate vesting and a contractual life of 3 years.

In July 2018, the Group granted warrants to Novum Securities Limited in connection with a share placing. 1,925,000 warrants were granted exercisable at £0.0175 (€0.0197) each with immediate vesting and a contractual life of 3 years.

In November 2019, the Group granted warrants in connection with a share placing. 375,000,000 warrants were granted exercisable at £0.0016 (€0.0019) each with immediate vesting and a contractual life of 3 years.

	2019	2019	2018	2018
	Number of	Weighted	Number of	Weighted
	warrants	Average	warrants	Average
		Exercise		Exercise
		price		price
Exercisable at 31 December	381,612,500	€0.0022	6,612,500	€0.0226

Measure of fair values of warrants

The fair value of the warrants issued has been measured using the binomial option pricing model. There are no service or non-market performance conditions attached to the arrangement and the warrants are considered to have vested immediately.

Notes to the Financial Statements (continued)
For the year ended 31 December 2019

16. Share based payments (continued)

The inputs used in the measurement of the fair values at grant date of the warrants were as follows

	Nov 2019	Jul 2018	Jul 2017
Fair value at grant date	€0.0005	€0.0072	€0.0089
Share price at grant date	€0.0013	€0.0132	€0.0163
Exercise price	€0.0019	€0.0197	€0.0239
Expected volatility	129%	100%	100%
Expected life	3 Years	3 Years	3 Years
Expected dividend	0%	0%	0%
Risk free interest rate	1.25%	1.25%	1.25%

Expected volatility has been based on an evaluation of the historical volatility of the Company's share price. The expected life is based on the contractual life of the warrants.

During the year an expense of €Nil (2018: €23,554) was recognised directly through retained earnings in the statement of changes in equity related to warrants granted during the year.

17. Retained losses

In accordance with Section 304 of the Companies Act 2014, the Company has not presented a separate income statement. Of the consolidated loss after taxation, a loss of €475,107 (2018: €583,682) for the financial year ended 31 December 2019 has been dealt with in the Company income statement of Great Western Mining Corporation PLC.

18. Related party transactions

In accordance with International Accounting Standards 24 – Related Party Disclosures, transactions between Group entities that have been eliminated on consolidation are not disclosed.

Details of the directors' remuneration for the year is set out in Note 5. Information about the remuneration of each director is shown in the Remuneration Report on pages 12 to 13. The directors are considered to be the Group's key management personnel.

Details of the directors' interests in the share capital of the Company are set out in the Directors' Report on pages 8 to 9.

Notes to the Financial Statements (continued)
For the year ended 31 December 2019

19. Financial instruments and financial risk management

The Group's and Company's main risks arising from financial instruments are foreign currency risk, credit risk, liquidity risk and interest rate risk. The Board of Directors has overall responsibility for the establishment and oversight of the risk management frameworks for each of these risks which are summarised below.

The Group and Company's principal financial instruments comprise cash and cash equivalents and other receivables and payables. The main purpose of these financial instruments is to provide finance for the Group and Company's operations. The Group has various other financial assets and liabilities such as receivables and trade payables, which arise directly from its operations.

It is and has been throughout 2019 and 2018 the Group and Company's policy that no trading in financial instruments be undertaken.

Foreign currency risk

The Group undertakes certain transactions denominated in foreign currencies and is exposed to exchange rate fluctuations as a consequence. It is the policy of the Group and Company to ensure that foreign currency risk is managed wherever possible by matching foreign currency income and expenditure. During the years ended 31 December 2019 and 31 December 2018, the Group did not utilise either forward exchange contracts or derivatives to manage foreign currency risk on future net cash flows.

	Average rate		Spot rate at year end	
	2019	2018	2019	2018
1 GBP	0.8777	0.8847	0.8508	0.8945
1 USD	1.1195	1.1810	1.1234	1.1450

The foreign currency exposure risk in respect of the principal foreign currencies in which the Group operates was as follows:

	2019	2019	2018	2018
	\$	£	\$	£
Trade and other debtors	59,119	140	110,355	-
Cash and cash equivalents	27,687	239,656	80,575	715,964
Trade and other payables	(58,692)	(4,433)	(258,701)	(9,221)
	28,114	235,363	(67,771)	706,743

Credit risk

Credit risk of financial loss to the Group and Company arises from the risk that if cash deposits are not recovered. Group and Company cash and short-term deposits are placed only with banks with a minimum credit rating of A-/A3.

Notes to the Financial Statements (continued)
For the year ended 31 December 2019

19. Financial instruments and financial risk management (continued)

Credit risk (continued)

The carrying amount of financial assets represents the maximum credit exposure. The maximum credit exposure to credit risk is:

	Group	Group	Company	Company
	2019	2018	2019	2018
	€	€	€	€
Trade and other debtors	94,943	123,174	7,359,367	6,296,410
Cash and cash equivalents	306,675	884,452	269,704	813,368
Trade and other payables	(350,434)	(317,650)	(431,202)	(153,514)
	51,184	689,976	7,197,869	6,956,264

The carrying value of financial assets represents the Company's maximum exposure at the balance sheet date. At the balance sheet date, the Directors have reviewed the carrying value of the amounts due from subsidiary companies for indicators of impairment using the expected credit loss model as required under IFRS 9 and concluded that these amounts were not impaired. If the value of any of the Group's exploration or production assets became impaired, then provision would be made by the Company against relevant amounts due from subsidiary companies.

Liquidity risk management

Liquidity risk is the risk that the Group will not be able to meet its obligations as they fall due. The Group manages liquidity risk by maintaining adequate reserves and by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Cash forecasts are regularly produced to identify the liquidity requirements of the Group. To date, the Group has relied on shareholder funding to finance its operations. The Group did not have any bank loan facilities at 31 December 2019 or 31 December 2018.

The Group and Company's financial liabilities as at 31 December 2019 and 31 December 2018 were all payable on demand.

The expected maturity of the Group and Company's financial assets (excluding prepayments) as at 31 December 2019 and 31 December 2018 was less than one month.

The Group expects to meet its other obligations from operating cash flows with an appropriate mix of funds and equity instruments. The Group further mitigates liquidity risk by maintaining an insurance programme to minimise exposure to insurable losses.

The Group had no derivative financial instruments as at 31 December 2019 and 31 December 2018.

Notes to the Financial Statements (continued)
For the year ended 31 December 2019

19. Financial instruments and financial risk management (continued)

Interest rate risk

The Group and Company's exposure to the risk of changes in market interest rates relates primarily to the Group and Company's holdings of cash and short-term deposits. It is the Group and Company's policy as part of its management of the budgetary process to place surplus funds on short term deposit from time to time where interest is earned.

Cash flow sensitivity analysis for variable rate instruments

An increase/decrease of 100 basis points in interest rates at 31 December 2019 would have decreased/increased the reported loss and equity by €7,044 (2018: €8,445).

Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust its capital structure, the Group may adjust or issue new shares or raise debt. No changes were made in the objectives, policies or processes during the years ended 31 December 2019 and 31 December 2018. The capital structure of the Group consists of equity attributable to equity holders of the parent, comprising issued capital, reserves and retained losses as disclosed in the consolidated statement of changes in equity.

Fair values

Due to the short-term nature of all of the Group's and Company's financial assets and liabilities at 31 December 2019 and 31 December 2018, the fair value is considered by the Directors to equate the carrying amount in each case.

Analysis of net funds

	At 1 January 2018 €	Cashflow €	At 31 December 2018 €
Group			
Cash at bank	2,678,276	(1,793,824)	884,452
Total	<u>2,678,276</u>	<u>(1,793,824)</u>	<u>884,452</u>
	At 1 January 2019 €	Cashflow €	At 31 December 2019 €
Group			
Cash at bank	884,452	(577,777)	306,675
Total	<u>884,452</u>	<u>(577,777)</u>	<u>306,675</u>

Notes to the Financial Statements (continued)
For the year ended 31 December 2019

20. Events after the reporting date

On 5 February 2020, the Company completed a placing of 12,500,000 new ordinary shares of €0.0001 at a price of £0.0011 (€0.0013) per ordinary share, raising gross proceeds of £13,750 (€16,283) and increasing share capital by €1,250. The premium arising on the issue amounted to €15,033.

On 12 March 2020, the Company completed a placing of 290,909,091 new ordinary shares of €0.0001 at a price of £0.0011 (€0.0012) per ordinary share, raising gross proceeds of £320,000 (€361,080) and increasing share capital by €29,091. The premium arising on the issue amounted to €331,989.

The outbreak of Covid-19 in 2020 gives rise to a non-adjusting event. During March 2020, government restrictions on travel have delayed the expected start date of the Company's work programme. Employee safety remains paramount and the Company will monitor advice accordingly. The impact on the Company is considered in the going concern statement in Note 2 to the Financial Statements. The Directors do not believe Covid-19 gives rise to an impairment of the exploration and evaluation assets or other assets at the balance sheet date.

21. Approval of financial statements

The financial statements were approved by the Board on 8 April 2020.